

FISCAL NOTE

HB 1 - SB 3 SECOND EXTRAORDINARY SESSION

November 5, 1999

SUMMARY OF BILL: Amends T.C.A. 67-6-102(23) and T.C.A. 67-6-102(24). Expands the definition of "retailer" to include television shopping systems and mail order businesses that solicit orders for tangible personal property to consumers in this state. Sales made by these businesses would then be subject to the sales and use tax.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Not Significant

Currently, if companies engaging in this type of business activity have nexus in Tennessee they must collect and remit sales tax on items sold on their broadcast. The Department of Revenue has advised that language in the bill attempting to establish a nexus for companies not now considered having a nexus in Tennessee may violate provisions of the Interstate Commerce Act.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James A. Davenport".

James A. Davenport, Executive Director